

108TH CONGRESS
1ST SESSION

H. R. 338

To amend title 5, United States Code, to require that agencies, in promulgating rules, take into consideration the impact of such rules on the privacy of individuals, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 27, 2003

Mr. CHABOT introduced the following bill; which was referred to the
Committee on the Judiciary

A BILL

To amend title 5, United States Code, to require that agencies, in promulgating rules, take into consideration the impact of such rules on the privacy of individuals, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Defense of Privacy
5 Act”.

1 **SEC. 2. REQUIREMENT THAT AGENCY RULEMAKING TAKE**
2 **INTO CONSIDERATION IMPACTS ON INDIVIDUAL**
3 **PRIVACY.**

4 (a) IN GENERAL.—Title 5, United States Code, is
5 amended by adding after section 553 the following new
6 section:

7 **“§ 553a. Privacy impact analysis in rulemaking**

8 **“(a) INITIAL PRIVACY IMPACT ANALYSIS.—**

9 **“(1) IN GENERAL.—**Whenever an agency is re-
10 quired by section 553 of this title, or any other law,
11 to publish a general notice of proposed rulemaking
12 for any proposed rule, or publishes a notice of pro-
13 posed rulemaking for an interpretative rule involving
14 the internal revenue laws of the United States, the
15 agency shall prepare and make available for public
16 comment an initial privacy impact analysis. Such
17 analysis shall describe the impact of the proposed
18 rule on the privacy of individuals. The initial privacy
19 impact analysis or a summary shall be signed by the
20 senior agency official with primary responsibility for
21 privacy policy and be published in the Federal Reg-
22 ister at the time of the publication of a general no-
23 tice of proposed rulemaking for the rule.

24 **“(2) CONTENTS.—**Each initial privacy impact
25 analysis required under this subsection shall contain
26 the following:

1 “(A) A description and assessment of the
2 extent to which the proposed rule will impact
3 the privacy interests of individuals, including
4 the extent to which the proposed rule—

5 “(i) provides notice of the collection of
6 personally identifiable information, and
7 specifies what personally identifiable infor-
8 mation is to be collected and how it is to
9 be collected, maintained, used, and dis-
10 closed;

11 “(ii) allows access to such information
12 by the person to whom the personally iden-
13 tifiable information pertains and provides
14 an opportunity to correct inaccuracies;

15 “(iii) prevents such information,
16 which is collected for one purpose, from
17 being used for another purpose; and

18 “(iv) provides security for such infor-
19 mation.

20 “(B) A description of any significant alter-
21 natives to the proposed rule which accomplish
22 the stated objectives of applicable statutes and
23 which minimize any significant privacy impact
24 of the proposed rule on individuals.

25 “(b) FINAL PRIVACY IMPACT ANALYSIS.—

1 “(1) IN GENERAL.—Whenever an agency pro-
2 mulgates a final rule under section 553 of this title,
3 after being required by that section or any other law
4 to publish a general notice of proposed rulemaking,
5 or promulgates a final interpretative rule involving
6 the internal revenue laws of the United States, the
7 agency shall prepare a final privacy impact analysis,
8 signed by the senior agency official with primary re-
9 sponsibility for privacy policy.

10 “(2) CONTENTS.—Each final privacy impact
11 analysis required under this subsection shall contain
12 the following:

13 “(A) A description and assessment of the
14 extent to which the final rule will impact the
15 privacy interests of individuals, including the
16 extent to which the proposed rule—

17 “(i) provides notice of the collection of
18 personally identifiable information, and
19 specifies what personally identifiable infor-
20 mation is to be collected and how it is to
21 be collected, maintained, used, and dis-
22 closed;

23 “(ii) allows access to such information
24 by the person to whom the personally iden-

1 tifiable information pertains and provides
2 an opportunity to correct inaccuracies;

3 “(iii) prevents such information,
4 which is collected for one purpose, from
5 being used for another purpose; and

6 “(iv) provides security for such infor-
7 mation.

8 “(B) A summary of the significant issues
9 raised by the public comments in response to
10 the initial privacy impact analysis, a summary
11 of the assessment of the agency of such issues,
12 and a statement of any changes made in the
13 proposed rule as a result of such issues.

14 “(C) A description of the steps the agency
15 has taken to minimize the significant privacy
16 impact on individuals consistent with the stated
17 objectives of applicable statutes, including a
18 statement of the factual, policy, and legal rea-
19 sons for selecting the alternative adopted in the
20 final rule and why each one of the other signifi-
21 cant alternatives to the rule considered by the
22 agency which affect the privacy interests of in-
23 dividuals was rejected.

24 “(3) AVAILABILITY TO PUBLIC.—The agency
25 shall make copies of the final privacy impact anal-

1 ysis available to members of the public and shall
2 publish in the Federal Register such analysis or a
3 summary thereof.

4 “(c) PROCEDURE FOR WAIVER OR DELAY OF COM-
5 PLETION.—An agency head may waive or delay the com-
6 pletion of some or all of the requirements of subsections
7 (a) and (b) to the same extent as the agency head may,
8 under section 608, waive or delay the completion of some
9 or all of the requirements of sections 603 and 604, respec-
10 tively.

11 “(d) PROCEDURES FOR GATHERING COMMENTS.—
12 When any rule is promulgated which may have a signifi-
13 cant privacy impact on individuals, or a privacy impact
14 on a substantial number of individuals, the head of the
15 agency promulgating the rule or the official of the agency
16 with statutory responsibility for the promulgation of the
17 rule shall assure that individuals have been given an op-
18 portunity to participate in the rulemaking for the rule
19 through techniques such as—

20 “(1) the inclusion in an advance notice of pro-
21 posed rulemaking, if issued, of a statement that the
22 proposed rule may have a significant privacy impact
23 on individuals, or a privacy impact on a substantial
24 number of individuals;

1 “(2) the publication of a general notice of pro-
2 posed rulemaking in publications of national circula-
3 tion likely to be obtained by individuals;

4 “(3) the direct notification of interested individ-
5 uals;

6 “(4) the conduct of open conferences or public
7 hearings concerning the rule for individuals, includ-
8 ing soliciting and receiving comments over computer
9 networks; and

10 “(5) the adoption or modification of agency
11 procedural rules to reduce the cost or complexity of
12 participation in the rulemaking by individuals.

13 “(e) PERIODIC REVIEW OF RULES.—

14 “(1) IN GENERAL.—Each agency shall carry
15 out a periodic review of the rules promulgated by the
16 agency that have a significant privacy impact on in-
17 dividuals, or a privacy impact on a substantial num-
18 ber of individuals. Under such periodic review, the
19 agency shall determine, for each such rule, whether
20 the rule can be amended or rescinded in a manner
21 that minimizes any such impact while remaining in
22 accordance with applicable statutes. For each such
23 determination, the agency shall consider the fol-
24 lowing factors:

25 “(A) The continued need for the rule.

1 “(B) The nature of complaints or com-
2 ments received from the public concerning the
3 rule.

4 “(C) The complexity of the rule.

5 “(D) The extent to which the rule over-
6 laps, duplicates, or conflicts with other Federal
7 rules, and, to the extent feasible, with State and
8 local governmental rules.

9 “(E) The length of time since the rule was
10 last reviewed under this subsection.

11 “(F) The degree to which technology, eco-
12 nomic conditions, or other factors have changed
13 in the area affected by the rule since the rule
14 was last reviewed under this subsection.

15 “(2) PLAN REQUIRED.—Each agency shall
16 carry out the periodic review required by paragraph
17 (1) in accordance with a plan published by such
18 agency in the Federal Register. Each such plan shall
19 provide for the review under this subsection of each
20 rule promulgated by the agency not later than 10
21 years after the date on which such rule was pub-
22 lished as the final rule and, thereafter, not later
23 than 10 years after the date on which such rule was
24 last reviewed under this subsection. The agency may

1 amend such plan at any time by publishing the revi-
2 sion in the Federal Register.

3 “(3) ANNUAL PUBLICATION.—Each year, each
4 agency shall publish in the Federal Register a list of
5 the rules to be reviewed by such agency under this
6 subsection during the following year. The list shall
7 include a brief description of each such rule and the
8 need for and legal basis of such rule and shall invite
9 public comment upon the determination to be made
10 under this subsection with respect to such rule.

11 “(f) JUDICIAL REVIEW.—

12 “(1) IN GENERAL.—For any rule subject to this
13 section, an individual who is adversely affected or
14 aggrieved by final agency action is entitled to judi-
15 cial review of agency compliance with the require-
16 ments of subsections (b) and (c) in accordance with
17 chapter 7. Agency compliance with subsection (d)
18 shall be judicially reviewable in connection with judi-
19 cial review of subsection (b).

20 “(2) JURISDICTION.—Each court having juris-
21 diction to review such rule for compliance with sec-
22 tion 553, or under any other provision of law, shall
23 have jurisdiction to review any claims of noncompli-
24 ance with subsections (b) and (c) in accordance with
25 chapter 7. Agency compliance with subsection (d)

1 shall be judicially reviewable in connection with judi-
2 cial review of subsection (b).

3 “(3) LIMITATIONS.—

4 “(A) An individual may seek such review
5 during the period beginning on the date of final
6 agency action and ending 1 year later, except
7 that where a provision of law requires that an
8 action challenging a final agency action be com-
9 menced before the expiration of 1 year, such
10 lesser period shall apply to an action for judicial
11 review under this subsection.

12 “(B) In the case where an agency delays
13 the issuance of a final privacy impact analysis
14 pursuant to subsection (c), an action for judi-
15 cial review under this section shall be filed not
16 later than—

17 “(i) 1 year after the date the analysis
18 is made available to the public; or

19 “(ii) where a provision of law requires
20 that an action challenging a final agency
21 regulation be commenced before the expi-
22 ration of the 1-year period, the number of
23 days specified in such provision of law that
24 is after the date the analysis is made avail-
25 able to the public.

1 “(4) RELIEF.—In granting any relief in an ac-
2 tion under this subsection, the court shall order the
3 agency to take corrective action consistent with this
4 section and chapter 7, including, but not limited
5 to—

6 “(A) remanding the rule to the agency;
7 and

8 “(B) deferring the enforcement of the rule
9 against individuals, unless the court finds that
10 continued enforcement of the rule is in the pub-
11 lic interest.

12 “(5) RULE OF CONSTRUCTION.—Nothing in
13 this subsection shall be construed to limit the au-
14 thority of any court to stay the effective date of any
15 rule or provision thereof under any other provision
16 of law or to grant any other relief in addition to the
17 requirements of this subsection.

18 “(6) RECORD OF AGENCY ACTION.—In an ac-
19 tion for the judicial review of a rule, the privacy im-
20 pact analysis for such rule, including an analysis
21 prepared or corrected pursuant to paragraph (4),
22 shall constitute part of the entire record of agency
23 action in connection with such review.

24 “(7) EXCLUSIVITY.—Compliance or noncompli-
25 ance by an agency with the provisions of this section

1 shall be subject to judicial review only in accordance
2 with this subsection.

3 “(8) SAVINGS CLAUSE.—Nothing in this sub-
4 section bars judicial review of any other impact
5 statement or similar analysis required by any other
6 law if judicial review of such statement or analysis
7 is otherwise permitted by law.

8 “(g) DEFINITION.—For purposes of this section, the
9 term ‘personally identifiable information’ means informa-
10 tion that can be used to identify an individual, including
11 such individual’s name, address, telephone number, photo-
12 graph, social security number or other identifying infor-
13 mation. It includes information about such individual’s
14 medical or financial condition.”.

15 (b) PERIODIC REVIEW TRANSITION PROVISIONS.—

16 (1) INITIAL PLAN.—For each agency, the plan
17 required by subsection (e) of section 553a of title 5,
18 United States Code (as added by subsection (a)),
19 shall be published not later than 180 days after the
20 date of the enactment of this Act.

21 (2) In the case of a rule promulgated by an
22 agency before the date of the enactment of this Act,
23 such plan shall provide for the periodic review of
24 such rule before the expiration of the 10-year period
25 beginning on the date of the enactment of this Act.

1 For any such rule, the head of the agency may pro-
2 vide for a 1-year extension of such period if the head
3 of the agency, before the expiration of the period,
4 certifies in a statement published in the Federal
5 Register that reviewing such rule before the expira-
6 tion of the period is not feasible. The head of the
7 agency may provide for additional 1-year extensions
8 of the period pursuant to the preceding sentence,
9 but in no event may the period exceed 15 years.

10 (c) CONGRESSIONAL REVIEW.—Section 801(a)(1)(B)
11 of title 5, United States Code, is amended—

12 (1) by redesignating clauses (iii) and (iv) as
13 clauses (iv) and (v), respectively; and

14 (2) by inserting after clause (ii) the following
15 new clause:

16 “(iii) the agency’s actions relevant to section
17 553a;”.

18 (d) CLERICAL AMENDMENT.—The table of sections
19 at the beginning of chapter 5 of title 5, United States
20 Code, is amended by adding after the item relating to sec-
21 tion 553 the following new item:

“553a. Privacy impact analysis in rulemaking.”.

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